FILED
NOV 17 1981
JOHN McCARTHY,

STATE OF MINNESOTA

IN SUPREME COURT

No. 45550

HEARING ON PROPOSED AMENDMENTS TO RULES OF PROCEDURE FOR ARBITRATION OF NO-FAULT AUTOMOBILE INSURANCE ACT CLAIMS.

ORDER

WHEREAS, the American Arbitration Association Standing Committee for No-Fault Insurance Arbitration has recommended that the Supreme Court adopt the following amendments to the existing Minnesota No-Fault Autombile Insurance Arbitration Rules:

Section 7 be amended to read:

"Section 7: The filing fee should be assessed as follows:

To the claimant - \$ 35.00

To the insurer - \$100.00"

Wording be added to various sections as follows:

"Section 4: SELECTION OF ARBITRATOR. On procedures to be adopted by the standing committee, the AAA, upon initiation of an arbitration, shall select from the panel three potential arbitrators to resolve the claim and shall notify the insurer and the claimant of the selection. Each party may strike one of the potential arbitators and an arbitrator shall be selected by the AAA from the remaining names of potential arbitrators. In the event of multiparty arbitration, the AAA may increase the number of potential arbitrators and divided the strikes so as to afford an equal number of strikes to each adverse interest. If the selected arbitrator is unable or unwilling to serve for any reason, the AAA may appoint an arbitrator. Such appointment will be subject to challenge for cause only."

"Section 9: CONCILIATION AND PRETRIAL PROCEDURES. Through prehearing conference or other joint communication to the parties, the arbitrator may, and is encouraged to, conciliate the claim, and he shall encourage the parties to narrow the issues so far as possible in an effort to shorten the hearing. At least ten

days before the hearing, the arbitrator shall ask the parties to stipulate to facts not in dispute, and may ask each party to furnish the other parties with copies of each document or exhibit which that party intends to offer in evidence. Any and all correspondence from a party to the arbitrator must be filed with the AAA for transmittal to the arbitrator. Any and all oral communication with the arbitrator must be done jointly and with the knowledge of the opposing party."

"Section 10(a): TIME AND PLACE OF ARBITRATION. If conciliation is not successful, an informal arbitration hearing will be held in the arbitrator's office or some other appropriate place in the general locale of the claimant's residence, or other place agreed upon by the parties. The arbitrator shall fix the time and place for such informal hearing. At least fourteen days prior to the hearing, the arbitrator shall mail notice to each party or to the parties' designated representative. Notice of hearing may be waived by any party. When an arbitration hearing has been scheduled for a day certain, the courts of the state shall recognize such date as the equivalent of a day certain court trial date in the scheduling of their calendars.

"Section 10(b): A party requesting a postponement shall make his request to the arbitrator who shall rule on all such requests.

"Section 10(c): A postponement fee of \$50.00 shall be charged against the party causing the postponement."

"Section 12: EVIDENCE. The parties may offer such evidence as they desire and shall produce such additional evidence as the arbitrator may deem necessary to an understanding and determination of the issues. The arbitrator shall be the judge of the revelance and materiality of any evidence offered and comformity to legal rules of evidence shall not be necessary. The parties shall be encouraged to offer, and the arbitrator shall be encouraged to receive and consider, evidence by affidavit or other document, including medical reports, statements of witnesses, officers, accident reports, medical texts and other similar written documents which would not ordinarily be admissible as evidence in the courts of this state. In receiving such evidence, the arbitrator shall consider any objections to its admission in determining the weight to which he deems it is entitled. Any adverse medical examination deemed necessary by the respondent should be completed within ninety days following initiation of the case by the AAA."

WHEREAS, the Supreme Court wishes to hold a public hearing on these recommendations,

NOW, THEREFORE, IT IS HEREBY ORDERED that a hearing on these recommendations be held in the Supreme Court Chambers in the State Capitol, Saint Paul, Minnesota, at 9 a.m. on Friday, January 8, 1982.

IT IS FURTHER ORDERED that advance notice of the hearing be given by the publication of this order once in the Supreme Court edition of FINANCE AND COMMERCE, ST. PAUL LEGAL LEDGER and BENCH AND BAR.

IT IS FURTHER ORDERED that interested persons show cause, if any they have, why the proposed amendments should not be adopted. All persons desiring to be heard shall file briefs or petitions setting forth their objections, and shall also notify the Clerk of the Supreme Court, in writing, on or before December 31, 1981, of their desire to be heard on the matter. Ten copies of each brief, petition, or letter should be supplied to the Clerk.

DATED: November 70, 1981.

BY THE COURT